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## Taiwan

**Post:** Taipei

### September 9 Update on the 2010 CSQ Rice Tender

**Report Categories:**

Grain and Feed

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**Report Highlights:**

On September 9, Taiwan completed a tender for 1,150 tons of U.S. origin short grain glutinous rice with a delivery period by January 31, 2011. Taiwan also completed a tendering 10,000 tons of a 18,000 tons tender for U.S.-origin medium grain brown rice under the traditional tender system for delivery by January 31, 2011. The remaining 8,000 tons will be tendered on September 29, 2010 with a delivery term of February 28, 2011. Also on September 29, Taiwan will tender for 15,134 tons of U.S.-origin medium/short grain brown rice for delivery by February 28, 2011.

For 2010, Taiwan has completed tenders for 62,500 tons (32,300 tons under tradition and 30,200 tons under SBS) of its 2010 rice CSQ commitment marking a completion rate of 66 percent. U.S. CSQ tender completion rate stands at 64 percent (32,300 tons under traditional and 9,200 tons under SBS tender).

**Executive Summary:**

On September 9, Taiwan completed a tender for 1,150 tons of U.S. origin short grain glutinous rice with a delivery period by January 31, 2011. Taiwan also completed a tendering 10,000 tons of a 18,000 tons tender for U.S.-origin medium grain brown rice under the traditional tender system for delivery by January 31, 2011. The remaining 8,000 tons will be tendered on September 29, 2010 with a delivery term of February 28, 2011. Also on September 29, Taiwan will tender for 15,134 tons of U.S.-origin medium/short grain brown rice with a delivery term of February 28, 2011.

Third tenders for 6,134 tons of Australia-origin rice and 2,300 tons of Thai-origin rice will be held on September 29. Both failed two previously held tenders on June 22 and July 22, respectively.

In addition, on May 13, Taiwan completed 5,740 tons of the globalized relinquished-Australian rice CSQ under Simultaneous Buy-and-Sell (SBS) tender for delivery by April 30, 2011. The completion of this tender has concluded the 2<sup>nd</sup> tranche of the 2010 SBS rice tenders.

For 2010, Taiwan has completed tenders for 62,500 tons (32,300 tons under tradition and 30,200 tons under SBS) of its 2010 rice CSQ commitment marking a completion rate of 66 percent. U.S. CSQ tender completion rate stands at 64 percent (32,300 tons under traditional and 9,200 tons under SBS tender).

**General Information:****Results of tenders from September 9, 2010**

GF4-99-0180 for 18,000 tons U.S.-origin medium/short grain brown rice for delivery by January 31, 2011

Taiwan partially completed the tender during the first tendering process. Three out of seven bidders who participated in the bid were successful and were awarded 4,000 tons, 4,000 tons and 3,000 tons respectively at the price of NT\$23,999/mt (\$750/mt). The retendering of the remaining 8,000 tons is scheduled for September 29, with a delivery term of February 28, 2011.

GF4-99-0181 for 1,000 tons U.S.-origin 2010 crop short grain glutinous milled rice (1,150 tons brown equivalent) for delivery by January 31, 2011

Taiwan successfully completed the tender at the first tendering. Three out of six bidders who participated in the bid were awarded 500 tons at NT\$33,490/mt (\$1,047/mt), 400 tons at NT\$33,856/mt (\$1,059/mt) and 100 tons at NT\$33,856/mt (\$1,059/mt) respectively.

Exchange rate was NT\$31.98 to \$1 on September 9, 2010

## **Results of tenders from June 22, 2010**

GF4-990-139 for 1,000 tons of U.S.-origin short grain glutinous milled rice (1,150 tons brown equivalent) for delivery by December 31, 2010

Taiwan successfully completed the tender during the first tendering process. One out of five bidders was awarded 1,000 tons at NT\$33,900/mt or \$1,059/mt. The crop year is U.S. seller's choice from, either the 2009 or 2010 crop year.

GF4-990-070 for 6,134 tons of Australian-origin medium/short grain brown rice for August 31, 2010 delivery

One Australian rice handler participated in the June 22 bid, but failed due to offered bidding price of NT\$30,952/mt or \$967/mt exceeding the preset ceiling price.

On July 22, the tender failed at the second tendering for the same reason that offered bidding price exceeded the ceiling price.

The third tender is scheduled for September 29 for delivery by December 31, 2010.

GF4-990-140 for 2,000 tons of Thai-origin long grain glutinous milled rice (2,300 tons brown equivalent) for delivery by December 31, 2010

Four Thai rice handlers participated in the June 22 bid, but were not successful. Three bidders failed to meet the tender specifications while the other bidder failed because price offered exceeded the preset ceiling price.

On July 22, Four Thai rice handlers participated in the bid, but were not successful. Three bidders failed to meet the tender specifications while the other bidder failed because price offered exceeded the preset ceiling price.

The Third tender is scheduled for September 29 for delivery by January 31, 2011.

(Exchange rate was to NT\$32.00 to \$1 on June 22, 2010)

### SBS Tenders:

GF4-990-042 for 5,740 tons of globalized relinquished-Australia rice CSQ

On May 13, Taiwan completed this tender. Six out of twenty nine bidders succeed the bidding, of which five winning bidders were awarded 1,000 tons each and the other one awarded the remaining 740 tons, all at the same mark-up level of NT\$9.011/kg or \$283/mt.

**Table 1: The 2010 CSQ under SBS Tender**

2010 SBS Allocation Plan in metric tons:			
	1st Tranche	2nd Tranche	Total
Australia	6,500	6,000	12,500
Egypt	0	2,500	2500
Thailand	4,000	2,000	6,000
<b>USA</b>	<b>6,000</b>	<b>3,200</b>	<b>9,200</b>
Total	16,500	13,700	30,200
<b>SBS Tender:</b> Taiwan completed the first tranche of 16,500 tons of SBS tenders on 2/11/2010 for importation by 12/31/2010; and 13,700 tons of the second tranche of SBS tenders completed on 06/22/2010 for importation by 04/30/2011			

**Table 2 – Taiwan's 2010 Country-Specific Quota (CSQ) for Public Sector Imports (9/15/2010 update)**

Country	Traditional Tender System(MT)	Completed	Remaining
Egypt	0	0	0
Thailand	2,300*	0	2,300
Australia	6,134*	0	6,134
USA	55,434	32,300	23,134
2009 Total	63,868	32,300	31,568
<b>Traditional Tender:</b> As of September 9, Taiwan has completed 32,300 tons of U.S. rice CSQ under traditional tender. The first tranche of 20,000 tons completed on 04/20/2010 for delivery by 08/31/2010; 1,150 tons of glutinous rice completed on 06/22/2010 for delivery by 2/31/2010; 1,150 tons of glutinous rice and 10,000 tons of medium/short grain rice completed on 9/9/2010 for delivery by 1/31/2011. The tendering for the remaining 23,134 tons of U.S.-origin CSQ rice under traditional tender has been announced and scheduled for September 29. *As for to-be-completed 6,134 tons of Australia-origin rice and 2,300 tons of Thai-origin rice have both failed two tenders while the third and final tender has been announced for September 29 tender as well.			